

# MINUTES - EMPLOYEE INSURANCE AND PENSION BENEFITS COMMITTEE

July 18, 2011

- 1) Call to Order: Chairperson Scott McBride called the meeting to order at 7:05 p.m. in Conference Room 1.
- 2) Roll Call: Members Present: M. Finkelstein, J. Kehl, S. McBride, M. Puba Niro, T. Sullivan and M. Wilbur  
  
Members Absent: J. Krusell  
  
Staff Present: A. Harter, C. Drzata and L. Jachimowicz  
  
Others present: M. Shegoski, A. Martella, D. McCluskey
- 3) Minutes: Mary Puba Niro made a motion to accept the minutes of the March 29, 2011 meeting. Mike Wilbur seconded. The motion was passed unanimously.
- 4) Public Participation: None
- 5) Lockton: Dave McCluskey reported that the 2010-2011 plan year ended with a positive margin of \$896,632. The Town ended with a positive margin of \$41,973 and the Board of Education ended the plan year with a positive margin of \$854,659. Nine claimants exceeded 50% of the Individual Stop Loss level of \$150,000 and only one claimant exceeded \$150,000. Discussion followed on the prescription and ancillary benefits paid which are not included in the Individual Stop Loss level and whether or not the Town should maintain the Aggregate Stop Loss coverage. Mr. McCluskey will provide an analysis on both with the next renewal.  
  
OPEB: Ann Harter reported that the Town made an initial OPEB contribution of \$905,674 in June plus the annual required OPEB contribution in the amount of \$1,843,000. The asset allocation of the current plan value of \$2,751,536 is 71% in Short-Term Investments and 29% in Long Term Investments. The annual claims for retirees were estimated at \$2,021,340. Marc Shegoski reviewed the OPEB Investment Portfolio.  
  
UBS: Marc Shegoski presented a summary of the market and economic outlook. Ashley Martella reviewed the 1<sup>st</sup> quarter Pension Fund Performance summary. All three pension plans were ahead of the custom benchmark through the first quarter. In the 2<sup>nd</sup> quarter, the three pension plans ran slightly behind the custom benchmark. After some discussion, the committee requested the following pieces of information: 1) upside/downside capture relative to the overall equity markets of the current investment manager lineup; 2) drawdown on the endowment during the market downturn of a few years back; and 3) manager selection process of the UBS Manager Research Group. This information will be emailed to the committee as soon as it's completed.
- 6) Next Meeting: Date to be determined.
- 7) Adjournment: T. Sullivan made a motion to adjourn, seconded by J. Kehl. The motion passed unanimously. The meeting adjourned at 8:05 p.m.

Respectfully submitted,

Charlene J. Drzata  
Insurance & Benefits Administrator